

**LAW OFFICES OF DANIEL M. KATZNER, PC**

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Counsel to the Debtor

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

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In re:

Chapter 7

Pace Product Solutions, Inc.

Case No. 08-12666 (MG)

Debtor

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**SUPPLEMENTAL AFFIDAVIT OF DANIEL M. KATZNER TO THE FIRST AND  
FINAL FEE APPLICATION FOR COMPENSATION FOR PROFESSIONAL  
SERVICES RENDERED AND FOR REIMBURSEMENT OF ACTUAL AND  
NECESSARY EXPENSES INCURRED DURING THE FEE PERIOD FROM JULY 10,  
2008 THROUGH JULY 24, 2008 TO BE PAID SOLEY FROM RETAINER ACCOUNT**

**DANIEL M. KATZNER**, an attorney duly admitted to practice law before the Courts of the State of New York and the United States Bankruptcy Court for the Southern District of New York, affirms the following under penalties of perjury:

1. I am a member of the firm of The Law Offices of Daniel M. Katzner, P.C. ("Katzner"), attorneys for the debtor, Pace Product Solutions, Inc. (the "Debtor"), in connection with the above-captioned action and, as such, I am fully and personally familiar with all of the facts and proceedings related herein.

2. I submit this supplemental affidavit to change the amount of fees sought in the Fee Application from \$7,720.00 to \$3,411.00 (the "Supplemental Affidavit") and to clarify that

any amounts that are awarded pursuant to this Application will be paid solely from the \$5,000 retainer account that was delivered to me by the Debtor.

3. On July 10, 2008, the Debtor filed a voluntary petition for relief under Chapter 11 of Title 11 of the Bankruptcy Code in this Court.

4. The Debtor's Chapter 11 case was converted to a Chapter 7 case pursuant to an Order of this Court dated July 24, 2008 and Albert Togut was then appointed as the Chapter 7 Interim Trustee (the "Chapter 7 Trustee").

5. On December 8, 2008, Katzner submitted its First and Final Application, as Attorneys for Debtor, for Compensation for Professional Services Rendered and for Reimbursement of Actual and Necessary Expenses Incurred During the Fee Period from July 10, 2008 Through July 24, 2008 (the "Fee Application").

6. The Fee Application sought the allowance of compensation for professional services rendered to the Debtor during the Fee Period in the aggregate amount of \$7,720.00 and for reimbursement of actual expenses incurred in connection with the rendition of such services in the aggregate amount of \$1,089.00, for a total request of \$8,809.00 (the "Total Compensation Amount").

7. Prior to the commencement of this case, the Debtor paid Katzner a total retainer of \$5,000.00 (the "Retainer") (a) for pre-petition services and out-of-pocket expenses rendered or incurred prior to filing and (b) as a retainer for post-petition services and expenses.

8. The total amount of the Retainer used for pre-petition services and expenses was \$500.00.

9. Katzner is seeking the allowance of \$1,089.00 in the Fee Application for reimbursement for post-petition expenses and this would then leave a balance of \$3,411.00.

10. As a result of conversations with the Chapter 7 Trustee and United States Trustee and their indication that they would object to the Fee Application as currently filed, Katzner is hereby changing the amount of compensation sought for professional services rendered from \$7,720.00 to only this \$3,411.00 balance, with such amount to be paid solely from the Retainer.

11. Katzner believes that these fees for professional compensation are reasonable and reflect the value of the services provided to the Debtor. In addition, Katzner has requested reimbursement only of actual and necessary expenses.

WHEREFORE, Katzner respectfully requests that the Court enter an order (a) granting Katzner an allowance of compensation in the amount of \$3,411.00 for services rendered to the Debtor in connection with the Debtor's case during the Fee Period; (b) approving the reimbursement of expenses incurred in the representation of the Debtor during the Fee Period in the amount of \$1,089.00; (c) authorizing the Debtor to pay Katzner the fees and reimbursable expenses authorized by the Court attributable to the Fee Period, without any further holdback, and solely from the Retainer; and (d) granting such other and further relief as the Court may deem proper.

Dated: Bronx, New York  
December 22, 2008

/s/ Daniel M. Katzner  
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